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**FISCAL IMPACT STATEMENT**

**LS 6950**

**BILL NUMBER:** SB 209

**NOTE PREPARED:** Dec 28, 2010

**BILL AMENDED:**

**SUBJECT:** Access to Supplemental Nutrition Assistance.

**FIRST AUTHOR:** Sen. Taylor

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides that an individual who has been convicted of a felony involving a controlled substance may receive assistance under the federal Supplemental Nutrition Assistance Program (SNAP). This bill also requires the Department of Correction (DOC) to assist an offender with applying for assistance under SNAP.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** *Summary:* This bill will increase the number of individuals who would be considered eligible for SNAP benefits.

Since SNAP benefits (i.e., food stamps) are provided by the federal Department of Agriculture but administered by the Indiana Division of Family Resources (DFR), this bill would likely have a small administrative fiscal impact on DFR. Participants may also be required to participate in the Indiana Manpower Placement and Comprehensive Training (IMPACT) Program, which is designed to help recipients of SNAP and TANF benefits achieve economic self-sufficiency.

**Background Information:** *Federal Opt-Out Provision:* Currently under federal law, Food Stamp benefits are not available to individuals convicted after August 2, 1996, of an offense classified as a felony and which has as an element the possession, use, or distribution of a controlled substance. States may by specific statute exempt any or all individuals affected by the statute. States may also limit the period that the exemption applies. P.L. 92-2005 specified that Indiana elected to opt out of this federal prohibition only for individuals successfully participating in a reentry court program in any county in Indiana. This bill would allow

additional offenders that otherwise would not qualify to receive federal food stamps upon release to receive assistance.

DOC has reported that of 19,608 offenders released in CY 2009, 2,503 had at least one controlled substance offense. The bill requires DOC to assist an offender with an application for Food Stamps. DOC reports that as part of the reentry process, offenders are assisted with preliminarily completing an application for Food Stamps. However, it is the responsibility of the offender to follow up with their local FSSA office to submit the completed application for eligibility determination.

*Background on Funding Under the Food Stamps Program:* Food Stamp benefits are federally funded with administrative expenditures equally shared between the state and federal government. The state's responsibility is primarily in application processing, eligibility determination, and benefit issuance. The state also conducts the IMPACT Program. Expenses of the IMPACT Program are equally shared between the state and federal government.

Food Stamp benefits are used for eligible food items and for plants or seed to grow food to eat. Benefit levels depend on household size, net monthly income, and inflation-indexed maximum monthly benefit levels. The benefit is calculated taking into account the household's expected gross income minus certain allowable deductions.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** Since offenders with felony drug convictions currently do not qualify for Food Stamp assistance, they may apply for emergency assistance with township trustees. This bill may decrease the extent to which individuals with felony drug convictions apply for emergency assistance.

**Explanation of Local Revenues:**

**State Agencies Affected:** FSSA, DFR; DOC.

**Local Agencies Affected:** Township trustees.

**Information Sources:** DOC.

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